



Press and Information

Court of Justice of the European Union
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Judgment in Case C-73/17
France v Parliament

The European Parliament may exercise some of its budgetary powers in Brussels, instead of Strasbourg, if that is required for the proper functioning of the budgetary procedure

The European Parliament was entitled to adopt the annual budget of the EU for 2017 in Brussels, at second reading

France, supported by Luxembourg, asks the Court of Justice to annul several acts of the European Parliament concerning the adoption of the general budget of the EU for the financial year 2017.

According to France, the debates on the joint text on the draft annual budget, the Parliament's vote on that text, and the act of the President of the Parliament declaring that the budget was adopted, should have been adopted at an ordinary plenary part-session of the Parliament in Strasbourg, and not at the additional plenary part-session which was held in Brussels on 30 November and 1 December 2016.

France bases its argument on the Protocol concerning the seats of the institutions,¹ according to which 'the European Parliament shall have its seat in Strasbourg where the 12 periods of monthly plenary sessions, including the budget session, shall be held'. France submits that, under the Protocol, the Parliament is obliged to exercise its budgetary powers during the periods of ordinary plenary part-session that take place in Strasbourg. It also argues that, pursuant to the Protocol, the President of the Parliament should have waited until the next ordinary part-session in Strasbourg to declare that the annual budget for 2017 was definitively adopted.

In today's judgment, the Court starts by pointing out that the Parliament is required to exercise the budgetary powers conferred upon it in compliance with the Treaties and the acts adopted thereunder. First, the Parliament must comply with the Protocol concerning the seats of the institutions, which forms an integral part of the Treaties. The Court states in that regard that the words 'budget session', used in the Protocol, refer to all the periods of plenary part-session in the course of which the Parliament exercises its budgetary powers and to all the acts that it adopts for that purpose. Thus, according to the Court, the 'budget session' encompasses not only the ordinary plenary part-session during which the draft budget is considered at first reading, but also the second reading, which guarantees a public debate and vote, in plenary sitting, on the joint text on the draft annual budget adopted in the conciliation procedure. The exercise by the Parliament of its budgetary powers in plenary sitting is of particular importance for the transparency and democratic legitimacy of actions of the EU based on its annual budget. Such transparency and legitimacy cannot, however, be secured solely by a first reading of the draft budget in the framework of the budgetary procedure, when the Parliament adopts amendments to the draft.

Second, the Parliament is obliged to observe the deadlines and time limits that the Treaty² imposes on it for the exercise of its budgetary powers in plenary session so as to ensure that the annual budget of the EU is adopted by the end of the year preceding the financial year in question. Thus, if the Parliament fails to take a decision at second reading upon the joint text on the draft

¹ Protocol on the location of the seats of the institutions and of certain bodies, offices, agencies and departments of the EU, annexed to the EU, FEU and EAEC Treaties.

² Article 314 TFEU.

annual budget within a 14-day period and if the European Council rejects the joint text within that period, the budgetary procedure has to be resumed in its entirety and the Parliament cannot decide alone on the adoption of the budget. If the Parliament fails to take such a decision, that also allows the Council to act alone and adopt the joint text on the draft annual budget. It is, however, of particular importance for the transparency and democratic legitimacy of the EU's actions that the Parliament takes a decision on the joint text in plenary session.

The Court also emphasises that the Parliament has to act in this area with all the attention, rigour and commitment which such a responsibility demands. That thus presupposes that the parliamentary debate and vote are based on a text which has been made available to the Members in good time and has been translated into all the official EU languages.

Third, the Court observes that the Protocol concerning the seats of the institutions and the Treaty provisions governing the budgetary procedure have the same legal value. Accordingly, the requirements deriving from the Protocol cannot, as such, prevail over those deriving from the budgetary provisions, and vice versa. Their application must be on a case-by-case basis and the necessary reconciliation of those requirements must be made and a fair balance struck between them. Consequently, although the Parliament is obliged to exercise its budgetary powers in a period of ordinary plenary part-session in Strasbourg, that obligation, arising under the Protocol concerning the seats of the institutions, does not prevent the annual budget from being debated and voted on during an additional plenary part-session in Brussels, if that is called for by essential requirements relating to the proper conduct of the budgetary procedure. It is the Parliament's responsibility to carry out the abovementioned reconciliation, in respect of which it has a discretion resulting from the essential requirements relating to the proper conduct of the budgetary procedure. The Court's review thus concerns only the question whether the Parliament, in exercising some of its budgetary powers in the course of an additional plenary part-session, made errors of assessment in that regard.

On the basis of those considerations, the Court finds, first of all, that it has not been established that the Parliament made an error of assessment in the scheduling of its calendar of ordinary plenary part-sessions for 2016. It then states that, in the circumstances of the present case, the Parliament likewise did not make an error of assessment by including the debate and vote on the joint text on the draft annual budget for the financial year 2017 on the agenda for the additional plenary part-session in Brussels on 30 November and 1 December 2016 and by approving the joint text by legislative resolution at the same plenary part-session. Finally, as regards the act declaring the annual budget to be definitively adopted, the Court considers that, when the Parliament is entitled to debate and vote on the joint text on the draft annual budget at an additional plenary part-session in Brussels, the President of the Parliament is to make the declaration in the same period of plenary part-session. The President of the Parliament therefore did not make an error of assessment by declaring, during the same additional plenary part-session in Brussels, that the annual budget of the EU for the financial year 2017 had been definitively adopted.

NOTE: An action for annulment seeks the annulment of acts of the institutions of the European Union that are contrary to European Union law. The Member States, the European institutions and individuals may, under certain conditions, bring an action for annulment before the Court of Justice or the General Court. If the action is well founded, the act is annulled. The institution concerned must fill any legal vacuum created by the annulment of the act.

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The [full text](#) of the judgment is published on the CURIA website on the day of delivery.

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